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ATTORNEYS FOR SPCP GROUP, LLC

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION**

**In re:** §  
§  
**PETER R. MORRIS,** § **Case No. 10-30240-HDH-11**  
§  
**Debtor.** § **Chapter 11**

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**In re:** §  
§  
**PRM REALTY GROUP, LLC,** § **Case No. 10-30241-HDH-11**  
§  
**Debtor.** § **Chapter 11**

**SPCP GROUP, LLC'S OBJECTION TO MOTION TO CONTINUE**  
(Refers to Docket Nos. 278 - Morris Case, and 233 - PRM Realty Case)

TO THE HONORABLE HARLIN D. HALE:

SPCP Group, LLC ("SPCP"), a creditor and party-in-interest in the above-referenced Chapter 11 cases (the "Cases"), files this Objection to the above-captioned Debtors' *Emergency Motion to Continue*, and would respectfully show the Court as follows:

**Summary**

1. SPCP has sought the appointment of a Trustee in the above-captioned cases. MR. Morris runs his entire empire and so his testimony is critical to an explanation of unexplained and undisclosed transactions and breaches of duty. In November, Mr. Morris' doctor said Mr. Morris needed 90 days to convalesce from this illness. But according to his Monthly Operating

Reports (“MOR”) during that same period, Mr. Morris has spent every day but six dining in restaurants and hotels, including some of the most prestigious in the world, such as the Waldorf Astoria, Beverly Hills Hotel, the Park Hyatt, and the Peninsula.

2. Now, the day before his court-ordered deposition, Mr. Morris produced a note from the same doctor that he remains unable to testify. SPCP requests that the Court fashion a remedy. Mr. Morris’ condition may be accommodated. He should be required to testify, as he is able. The March 1, 2011 hearing need not be continued.

### **Factual Background**

3. On May 25, 2010, Counsel requested to take Mr. Morris’ deposition. Counsel asked repeatedly for deposition dates thereafter, as shown by the several emails attached as Exhibit “A”. Mr. Morris was not ever agreeable to a date, claiming (among other things) that his health prevented his attendance at a deposition, or that treatments for medical conditions conflicted with proposed dates.

4. Eventually, Mr. Morris was to be deposed around November 8-13, 2010. Mr. Morris notified SPCP’s counsel that he would not attend that deposition and enclosed a doctor’s letter that he would not be ready to testify for 90 days. Mr. Morris’ counsel filed a motion based on that allegation and sought a 90 day continuance of the Motion to Appoint a Chapter 11 Trustee.

5. The Court accepted this allegation that Morris was too ill to testify for 90 days and granted a 90 day continuance of the trial so that Mr. Morris could convalesce. Yet, Mr. Morris was able to, during that time, travel and attend highbrow restaurants and hotels on the following dates and times (according to the MOR’s). (Broadway shows, airlines, luxury hotels

and fine dining are listed in bold):

<b>11/7/2010</b>	<b>Polo Ralph Lauren</b>	<b>61.62</b>
<b>11/8/2010</b>	<b>Trattoria Gianni</b>	<b>213.71</b>
<b>11/9/2010</b>	<b>Boka</b>	<b>190.39</b>
11/9/2010	Girl and the Goat	195.00
11/12/2010	Gene & Georgetti	59.48
11/12/2010	Girl and the Goat	195.56
<b>11/13/2010</b>	<b>American Airlines</b>	
11/13/2010	Gene & Georgetti	141.60
11/14/2010	Gene & Georgetti	63.55
11/15/2010	Trattoria Gianni	140.33
<b>11/18/2010</b>	<b>Le Colonial</b>	<b>82.38</b>
<b>11/19/2010</b>	<b>MK Restaurant</b>	<b>249.47</b>
11/20/2010	Trattoria Gianni	114.08
11/22/2010	Kikis Bistro	77.15
<b>11/25/2010</b>	<b>Hyatt Hotels</b>	
11/27/2010	Joe's Stone Crab	84.23
<b>11/28/2010</b>	<b>Pepolino Restaurant</b>	<b>237.88</b>
<b>11/28/2010</b>	<b>Westside Theatre</b>	<b>(broadway show)</b>
11/29/2010	Tamarind Tribeca	138.00
11/30/2010	Bottega Del Vino	27.95
<b>11/30/2010</b>	<b>United Airlines</b>	
<b>12/1/2010</b>	<b>21 Club</b>	<b>99.02</b>
<b>12/1/2010</b>	<b>Aquagrill</b>	<b>197.01</b>
<b>12/2/2010</b>	<b>Waldorf Astoria Hotel</b>	
12/3/2010	Gene & Georgetti	34.02
12/3/2010	Girl and the Goat	236.99
12/4/2010	Trattoria Gianni	131.98
12/5/2010	Hugos Frog Bar	192.02
12/6/2010	Hop Haus	60.33
12/6/2010	Le Colonial	63.83
12/6/2010	Oceanique	177.74
12/7/2010	American Airlines	
12/7/2010	American Airlines	
12/8/2010	Oceanique	77.33
12/9/2010	Joe's Stone Crab	87.75
<b>12/10/2010</b>	<b>Park Hyatt</b>	<b>95.14</b>
<b>12/10/2010</b>	<b>Santorini</b>	<b>128.85</b>
<b>12/12/2010</b>	<b>Cort Theatre</b>	<b>(Boradway show)</b>
<b>12/12/2010</b>	<b>Jacobs Royal Theatre</b>	<b>(Broadway show)</b>
<b>12/12/2010</b>	<b>Pepolino Restaurant</b>	<b>628.69</b>
<b>12/13/2010</b>	<b>200 Fifth</b>	<b>31.16</b>
<b>12/13/2010</b>	<b>Aquagrill</b>	<b>279.37</b>
<b>12/13/2010</b>	<b>Harry Cipriani</b>	<b>141.83</b>
12/13/2010	Shun Lee Palace	120.71

<b>12/13/2010</b>	<b>Ritz Carlton Hotel</b>	
<b>12/14/2010</b>	<b>United Airlines</b>	
<b>12/14/2010</b>	<b>United Airlines</b>	
<b>12/15/2010</b>	<b>Aquagrill</b>	<b>95.42</b>
<b>12/15/2010</b>	<b>Harry Cipriani</b>	<b>62.18</b>
12/15/2010	Harry Cipriani	19.51
12/15/2010	Shun Lee Palace	77.82
<b>12/16/2010</b>	<b>American Airlines</b>	
<b>12/16/2010</b>	<b>American Airlines</b>	
<b>12/16/2010</b>	<b>Balthazar</b>	<b>84.85</b>
<b>12/16/2010</b>	<b>Balthazar</b>	<b>32.50</b>
<b>12/16/2010</b>	<b>United Airlines</b>	
<b>12/16/2010</b>	<b>United Airlines</b>	
<b>12/17/2010</b>	<b>United Airlines</b>	
<b>12/17/2010</b>	<b>Boka</b>	<b>184.57</b>
<b>12/17/2010</b>	<b>Le Colonial</b>	<b>185.67</b>
<b>12/17/2010</b>	<b>Morton's of Chicago</b>	<b>86.03</b>
<b>12/20/2010</b>	<b>Oceanique</b>	<b>105.78</b>
12/21/2010	Joe's Stone Crab	139.87
12/22/2010	Coco Pazzo	103.69
12/22/2010	Joe's Stone Crab	72.17
<b>12/22/2010</b>	<b>Ritz Carlton Hotel</b>	
12/24/2010	Joe's Stone Crab	138.82
12/24/2010	MK Restaurant	162.97
12/25/2010	Pizzeria Due	59.92
12/27/2010	Joe's Stone Crab	99.01
12/28/2010	Coco Pazzo	107.68
<b>12/28/2010</b>	<b>Joe's Stone Crab</b>	<b>239.07</b>
12/29/2010	Dee's Restaurant	49.75
12/29/2010	<b>Peninsula Hotel</b>	
12/31/2010	<b>The Beverly Hills Hotel</b>	

6. The creditors have not yet received the MOR for January or February. Mr. Morris, during this time when he was too ill to be deposed, appeared at court and testified during a hearing February 7.

7. At the hearing on February 7, the Court was informed that SPCP has been seeking Mr. Morris' deposition since at least June. Mr. Morris was ordered to sit for a deposition on February 23, 2011. On the afternoon before his deposition, he revealed he was in Boston and that his doctor felt he was too ill to sit for *any* deposition.

8. SPCP requests that the Court take judicial notice of (i) several of the related debtor entities are cases that only involve a single piece of real estate in each case and the exclusivity period has either expired without plans being filed and/or without plans being confirmed; (ii) the Debtors' monthly operating reports that show the above expenditures, (iii) that SPCP has filed a Motion to Appoint Trustee Pursuant to 11 U.S.C. § 1104, or, in the Alternative, Convert Case to Chapter 7, or, in the Alternative, to Appoint Examiner [Docket No. 108 - Morris Case], and (iv) the U.S. Trustee has filed the Motion to Convert in the PRM Realty Case and SPCP has filed its Joinder.

### **Conclusion**

9. Upon close inspection, SPCP believes that Mr. Morris' second Doctor's note (from the same doctor who wrote the note demanding a 90 day continuance of trial) may not establish sufficient cause to entirely excuse Mr. Morris from a deposition. Mr. Morris can be accommodated. His lifestyle shows that much. Alternatively, the Court can fashion a remedy forbidding his testimony at trial, or that his testimony be limited. The Court can and should continue with the hearing scheduled March 1.

WHEREFORE, PREMISES CONSIDERED, SPCP respectfully requests that this Court  
(i) sustain SPCP's objections to the Motion, and (iii) grant such further relief as may be just and  
proper.

DATED: January 20, 2011.

Respectfully submitted,

McKOOL SMITH P.C.

By: /s/ Hugh M. Ray, III  
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ATTORNEYS FOR SPCP GROUP, LLC

**CERTIFICATE OF SERVICE**

I hereby certify that on February 23, 2011, a true and correct copy of the foregoing document has been served via the ecf system to all creditors listed on the ecf service notice.

/s/ Hugh M. Ray, III  
Hugh M. Ray, III